

The Guarantee Company of North America




MONTREAL

*Fidelity and Surety Bonds
Fire and Casualty Insurance*

NINETY-SECOND ANNUAL REPORT

1964



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Ninety-Second Annual Report

of the Board of Directors

of

The Guarantee Company of North America

to the Annual General Meeting of Shareholders

on Wednesday, 31st March, 1965

The Guarantee Company of North America

BOARD OF DIRECTORS:

*J. P. BASSEL, Q.C.	Toronto
<i>Partner — Bassel, Sullivan, Holland & Lawson</i>	
*FRANK COWAN	Princeton
<i>President — Frank Cowan Company Limited</i>	
A. A. CUMMING	Toronto
<i>President — Union Carbide Canada Limited</i>	
DANIEL O'C. DOHENY, Q.C.	Montreal
<i>Partner — Bourgeois, Doheny, Day & Mackenzie</i>	
G. BLAIR GORDON	Montreal
<i>Chairman — Dominion Textile Company Limited</i>	
*H. CAMERON HAWKEN	Montreal
<i>Director — Marine Industries Limited</i>	
R. R. McLERNON	Montreal
<i>President — Acer, McLernon Incorporated</i>	
*G. W. MILLAR	Montreal
<i>President — Lyman Tube & Supply Co. Ltd.</i>	
*C. E. PACAUD	Montreal
*H. M. RAWLINGS	Montreal
*Member Executive Committee.	

OFFICERS:

C. E. PACAUD	<i>President and Managing Director</i>
G. W. MILLAR	<i>Vice-President</i>
G. H. DOBLE	<i>Assistant Vice-President</i>
V. MONGEON	<i>Assistant Vice-President</i>
G. G. MILNES	<i>Controller</i>
DAPHNE L. CATLIFF	<i>Secretary</i>
MILDRED L. JONES	<i>Assistant Secretary</i>
D. M. CHADWICK	<i>Treasurer</i>

SOLICITORS: Bourgeois, Doheny, Day & Mackenzie

AUDITORS: Riddell, Stead, Graham & Hutchison

The Guarantee Company of North America

TO THE SHAREHOLDERS:

The Directors submit the Annual Report of the Company, which includes the Balance Sheet at December 31st, 1964, and Profit and Loss Statement for the year, together with Auditor's report.

GENERAL:

During the year 1964 the Company increased its agency force throughout the Province of Quebec and two branch offices were established, one in Quebec and one in Sherbrooke.

The Automobile experience of practically all companies in Canada continues to produce an unfavourable result. Your Company was no exception. Major changes have been made which your Directors are confident will solve the problem.

In view of the operational loss sustained, an amount of \$275,000, has been transferred from the general reserve to the Shareholders' surplus, which is one of the purposes for which the general reserve was set up.

INVESTMENTS:

Income received from the investment portfolio during 1964 was substantially higher than in 1963. While there was no revenue from rents last year total investment income in 1964 exceeded the comparable figure for 1963.

At the end of 1964 the market value of the investment portfolio was \$22,670 or about 0.4% lower than the cost, excluding the investment reserve. At the end of 1963 the comparable figure was \$53,174.

During 1964 the Company invested \$128,054 or about 2% of the book value of the portfolio in common stocks.

DIRECTORS:

We regret the resignation of Mr. C. G. Cockshutt and deeply appreciate his wise counsel and advice given over many years.

STAFF AND AGENTS:

The Directors wish to express their thanks to their Agents for their continued support and to the Officers and Employees for their efforts during the past year.

FUTURE:

You may rest assured that your Directors are sparing no effort to improve the Company's results and the efficiency of its operations.

On behalf of the Directors

C. E. PACAUD
President

8th March, 1965

The Guarantee Company of North America

BALANCE SHEET AS AT DECEMBER 31, 1964

(with comparative figures as at December 31, 1963)

Assets	1964	1963
Cash	\$ 307,845	\$ 375,590
Bonds and Stocks — at cost less reserve of \$300,000	5,291,606	4,907,967
(Insurance Department of Canada valuation \$5,569,907 in 1964 and \$5,154,793 in 1963)		
Mortgage Loans	28,959	—
Premiums receivable — less reserve	506,434	230,453
Due from reinsuring and other insurance companies, etc.	142,912	122,672
Accrued interest on bonds	67,507	50,919
Furniture, fixtures and automobiles — at cost less accumulated depreciation	26,299	12,315
	<u>\$6,371,562</u>	<u>\$5,699,916</u>
Liabilities and Reserves —		
Provision for claims and claims expense	\$1,264,365	\$ 960,988
Provision for claims unreported	196,100	196,100
	1,460,465	1,157,088
Taxes payable	38,023	38,017
Other liabilities	385,957	223,638
Voluntary pension reserve	123,000	123,000
Premium reserves — unearned premiums	1,092,185	634,721
— special reserve for guarantee bonds	300,947	276,226
	<u>\$3,400,577</u>	<u>\$2,452,690</u>
Surplus to Policyholders —		
General reserve — (note)		
Balance at beginning of year	575,000	400,000
Transferred (to) from surplus	(275,000)	175,000
	300,000	575,000
Capital stock —		
Authorized —		
20,000 shares of \$50 each		
Issued and fully paid —		
13,372 shares	668,600	668,600
Surplus to shareholders — per statement	2,002,385	2,003,626
	<u>2,970,985</u>	<u>3,247,226</u>
	<u>\$6,371,562</u>	<u>\$5,699,916</u>

Note: U.S. funds are recorded in the accounts at par of exchange. Included in the general reserve is approximately \$13,000 (1964) and \$19,500 (1963) for unrealized losses on foreign exchange.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of The Guarantee Company of North America as at December 31, 1964 and the statements of profit and loss and surplus to shareholders for the year then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us and as shown by the books of the company, the accompanying balance sheet and statements of profit and loss and surplus to shareholders are properly drawn up so as to exhibit a true and correct view of the state of the company's affairs as at December 31, 1964 and the results of its operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

5th March, 1965

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON

Chartered Accountants.

The Guarantee Company of North America

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31, 1964

(with comparative figures for 1963)

	1964	1963
Premiums written — net	\$2,024,947	\$ 776,683
(Increase) decrease in premium reserve	(482,185)	83,094
Premiums earned	1,542,762	859,777
Claims and claims expense	1,051,885	428,896
Underwriting expenses	961,649	492,264
Increase (decrease) in reserve for premiums receivable	17,328	(6,424)
Gain on foreign exchange	(8,879)	(66)
	<u>2,021,983</u>	<u>914,670</u>
Underwriting loss	479,221	54,893
Interest, dividends and rents	239,960	233,983
Loss on sale of bonds	(3,172)	(226)
	<u>236,788</u>	<u>233,757</u>
Profit (loss) for the year before provision for estimated income taxes	(242,433)	178,864
Provision for income taxes of the United States of America	7,063	38,000
Profit (loss) for the year	<u>(\$ 249,496)</u>	<u>\$ 140,864</u>

STATEMENT OF SURPLUS TO SHAREHOLDERS FOR THE YEAR ENDED DECEMBER 31, 1964

(with comparative figures for 1963)

Earned surplus —		
Balance at beginning of year	2,003,626	1,341,114
Profit and realized appreciation on sale of real estate	—	796,648
	<u>2,003,626</u>	<u>2,137,762</u>
Profit (loss) for the year	(249,496)	140,864
Dividends	(26,744)	—
Transferred from (to) General and Investment reserves	275,000	(275,000)
Balance at end of year	<u>\$2,002,386</u>	<u>\$2,003,626</u>

The Guarantee Company of North America

SECURITIES HELD BY THE COMPANY

(Valuations authorized by The Department of Insurance — Canada)

BONDS HELD IN CANADA	Int. Rate	Year	Par Value	Authorized Value
Securities Maturing Within One Year				
Canadian Imperial Bank of Commerce	4.0%	1965	\$ 50,000	\$ 50,000
Mercantile Bank of Canada	4.0%	1965	50,000	50,000
“ “ “ “	4.25%	1965	50,000	50,000
Administration & Trust Co.	4.75%	1965	50,000	50,000
Guaranty Trust Company of Canada	4.75%	1965	50,000	50,000
			<u>\$ 250,000</u>	<u>\$ 250,000</u>
Securities Maturing Within More than One Year but Less than Five Years				
Canada, Government of	5.0%	1968	\$ 75,000	\$ 75,750
“ “ “ “	5.0%	1969	150,000	151,500
Quebec, Province of	5.25%	1968	100,000	101,000
Quebec Hydro-Electric Commission	4.75%	1966	50,000	50,000
Toronto, The Municipality of Metropolitan	3.5%	1968	50,000	47,500
Canada Permanent Mortgage Corp.	6.0%	1967	50,000	51,000
Industrial Acceptance Corporation	5.625%	1967	25,000	25,250
			<u>\$ 500,000</u>	<u>\$ 502,000</u>
All Other Securities				
Canada, Government of	5.5%	1976	\$1,075,000	\$1,118,000
“ “ “ “	3.25%	1979	100,000	81,000
“ “ “ “	4.5%	1983	210,000	195,300
Canadian National Railway Co.	4.0%	1981	50,000	44,000
British Columbia Electric Co. Ltd.	5.125%	1988	20,000	19,200
“ “ “ “ “ “	5.5%	1989	25,000	25,000
Manitoba Telephone Commission	5.5%	1982	25,000	25,250
New Brunswick, Province of	3.5%	1975	50,000	43,500
Nova Scotia, Province of	5.5%	1984	25,000	25,500
“ “ “ “ “ “	5.25%	1984	50,000	49,500
Quebec, Province of	6.0%	1982	10,000	10,400
“ “ “ “	5.25%	1983	25,000	24,250
“ “ “ “	5.25%	1984	25,000	24,250
“ “ “ “	6.0%	1988	100,000	104,000
Quebec Autoroutes Authority	5.75%	1989	25,000	25,500
Quebec Hydro-Electric Commission	5.5%	1982	25,000	24,750
“ “ “ “ “ “	5.5%	1988	25,000	24,750
Quebec Power Company	6.25%	1982	25,000	26,250
Saskatchewan, Province of	5.5%	1982	25,000	25,250
“ “ “ “ “ “	5.5%	1984	50,000	50,500
Hamilton, City of	6.0%	1979	25,000	23,750
Montreal, City of	4.0%	1975	30,000	26,700
“ “ “ “	5.75%	1988	25,000	25,000
“ “ “ “	5.75%	2004	25,000	25,000
Toronto, Municipality of Metropolitan	4.5%	1976	25,000	23,250
“ “ “ “ “ “	5.5%	1982	25,000	25,250
Protestant School Board of Greater Montreal	5.5%	1981	25,000	24,000
Bell Telephone Company of Canada	5.5%	1982	48,000	48,480
“ “ “ “ “ “	5.5%	1984	25,000	25,250
“ “ “ “ “ “	5.75%	1984	20,000	20,600
Calgary Power Ltd.	5.75%	1982	25,000	25,000
Canadian Utilities Ltd.	5.5%	1986	25,000	24,750
Canadian Western Natural Gas Co. Ltd.	5.375%	1983	25,000	24,500
Carried Forward			<u>\$2,313,000</u>	<u>\$2,307,680</u>

The Guarantee Company of North America

SECURITIES HELD BY THE COMPANY (continued)

	Int. Rate	Year	Par Value	Authorized Value
Brought Forward			\$2,313,000	\$2,307,680
Consumers' Gas Co. Ltd.	5.5%	1982	25,000	25,000
“ “ “ “	5.5%	1983	25,000	25,000
“ “ “ “	5.75%	1984	15,000	15,300
Maritime Electric Co. Ltd.	5.75%	1981	25,000	25,250
Northwestern Utilities Ltd.	5.75%	1988	10,000	10,100
Quebec Natural Gas Corporation	6.0%	1980	21,000	21,210
“ “ “ “	5.75%	1985	7,100	6,887
Quebec Telephone	5.75%	1983	35,000	35,000
Union Gas Co. of Canada Ltd.	5.75%	1983	25,000	25,250
Westcoast Transmission Co. Ltd.	5.5%	1988	25,000	27,500
Algoma Steel Corp. Ltd.	5.25%	1978	25,000	24,500
B.P. Refinery Canada Ltd.	5.75%	1986	30,000	30,300
Canadian British Aluminium Co. Ltd.	5.75%	1977	24,000	24,000
“ “ “ “ “ “	6.25%	1977	22,000	22,660
Dominion Steel & Coal Corporation Ltd.	5.75%	1984	25,000	25,250
Dominion Tar & Chemical Co. Ltd.	5.5%	1982	25,000	24,750
“ “ “ “ “ “	5.75%	1984	15,000	15,150
East Coast Smelting and Chemical Co. Ltd.	5.85%	1986	25,000	25,500
T. Eaton Acceptance Co. Ltd.	4.5%	1976	25,000	23,000
“ “ “ “	5.75%	1983	25,000	25,250
Home Oil Co. Ltd.	6.25%	1983	25,000	25,500
Hudson's Bay Oil & Gas Co. Ltd.	5.5%	1983	25,000	24,750
John Labatt Ltd.	5.75%	1987	25,000	25,250
“ “ “ “	5.75%	1989	25,000	25,250
Loblaw Groceries Co. Ltd.	4.0%	1975	25,000	22,250
“ “ “ “	6.0%	1977	14,000	14,420
Price Brothers & Co. Ltd.	5.75%	1982	50,000	50,500
Rolland Paper Co. Ltd.	5.75%	1984	25,000	25,250
Shell Canada Ltd.	5.75%	1983	25,000	25,250
Steinberg's Limited	5.75%	1984	25,000	25,250
George Weston Ltd.	5.25%	1982	25,000	24,250
“ “ “ “	5.5%	1983	15,000	14,850
Crédit Foncier Franco-Canadien	5.5%	1981	25,000	24,500
“ “ “ “	5.25%	1982	25,000	23,750
“ “ “ “	5.5%	1983	25,000	24,500
“ “ “ “	5.5%	1984	25,000	24,500
Industrial Acceptance Corporation Ltd.	5.75%	1981	25,000	25,250
“ “ “ “	5.75%	1982	25,000	25,000
Laurentide Financial Corp. Ltd.	5.75%	1973	25,000	25,250
“ “ “ “	6.25%	1979	24,000	24,240
Loblaw Leased Properties Ltd.	4.5%	1981	50,000	46,000
Niagara Finance Co. Ltd.	5.75%	1985	25,000	25,000
RoyNat Ltd.	6.0%	1979	50,000	51,500
Royal Trust Company Mortgage Corporation	5.75%	1981	25,000	25,250
Shell Properties Ltd.	5.75%	1982	25,000	25,250
Traders Finance Corporation Ltd.	5.75%	1981	25,000	25,000
			<u>\$3,470,100</u>	<u>\$3,462,297</u>
			<u>\$4,220,100</u>	<u>\$4,214,297</u>

The Guarantee Company of North America

SECURITIES HELD BY THE COMPANY (continued)

	Int. Rate	Year	Par Value	Authorized Value
BONDS HELD IN U.S.A.				
Securities Maturing Within One Year				
United States Treasury	3.65%	1965	\$ 25,000	\$ 26,750
“ “ “ Investment A	2.5%	1965	25,000	26,750
“ “ “	4.0%	1965	25,000	26,750
			<u>\$ 75,000</u>	<u>\$ 80,250</u>
Securities, all other				
United States Treasury	3.75%	1966	\$ 60,000	\$ 64,200
“ “ “	2.5%	1967	10,000	10,400
“ “ “	2.5%	1969	50,000	50,500
“ “ “	2.5%	1969	116,000	117,160
“ “ “	2.5%	1971	180,000	178,200
“ “ “	4.125%	1973	120,000	128,400
“ “ “ Investment B	2.75%	1980	110,000	107,800
“ “ “	3.0%	1995	100,000	92,000
British Columbia Power Commission	3.75%	1986	50,000	47,500
Chicago, Burlington & Quincy Railroad	3.125%	1971	75,000	78,750
Southern Pacific Co.	3.25%	1971	50,000	50,500
Houston Lighting & Power Co.	3.25%	1986	75,000	68,250
Pacific Gas & Electric Co.	3.375%	1988	75,000	68,250
Public Service of Colorado	3.125%	1978	75,000	69,750
			<u>\$1,146,000</u>	<u>\$1,131,660</u>
			<u>\$1,221,000</u>	<u>\$1,211,910</u>

Preferred Stocks

Bathurst Power & Paper Co. Ltd.	“A”	450 shares at 60	<u>\$27,000</u>
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Common Stocks

Canadian Pacific Railway Co.	\$25	200 shares at 52	\$10,400
Calgary Power Ltd.	NPV	400 “ “ 23	9,200
Aluminium Ltd.	NPV	400 “ “ 32	12,800
Chrysler Corporation	\$6.25	200 “ “ 63	12,600
Massey-Ferguson Ltd.	NPV	300 “ “ 29	8,700
Noranda Mines Ltd.	NPV	200 “ “ 50	10,000
Union Carbide Canada Ltd.	NPV	500 “ “ 26	13,000
Guaranty Trust Company of Canada	\$10	500 “ “ 60	30,000
Industrial Acceptance Corporation Ltd.	NPV	400 “ “ 25	10,000
			<u>\$116,700</u>

SUMMARY OF SECURITIES HELD At Authorized Values

Bonds held in Canada	\$4,214,297
Bonds held in U.S.A.	1,211,910
Preferred Stocks	27,000
Common Stocks	116,700
	<u>\$5,569,907</u>

VALEURS DÉTENUES PAR LA COMPAGNIE (suite)

BONS DÉTENUS AUX ÉTATS-UNIS

Valeurs échéantes en dedans d'un an

Taux d'intérêt	Année	Valeur autorisée	Valeur au pair
3.65%	1965	\$ 25,000	\$ 26,750
2.5%	1965	25,000	26,750
4.0%	1965	25,000	26,750
\$ 75,000			
\$ 80,250			

Toutes autres valeurs

3.75%	1966	\$ 60,000	\$ 64,200
2.5%	1967	10,000	10,400
2.5%	1969	50,000	50,500
2.5%	1969	116,000	117,160
2.5%	1971	180,000	178,200
4.125%	1973	120,000	128,400
2.75%	1980	110,000	107,800
3.0%	1995	100,000	92,000
3.75%	1986	50,000	47,500
3.125%	1971	75,000	78,750
3.25%	1971	50,000	50,500
3.25%	1986	75,000	68,250
3.375%	1988	75,000	68,250
3.125%	1978	75,000	69,750
\$1,146,000			
\$1,221,000			
\$1,131,660			
\$1,211,910			

Actions privilégiées

Bathurst Power & Paper Co. Ltd.	"A"	450 actions à 60	\$27,000
\$27,000			

Actions Ordinaires

Canadian Pacific Railway Co.	\$25	200 actions à 52	\$10,400
NPV	400	" "	9,200
NPV	400	" "	12,800
\$6.25	200	" "	12,600
NPV	300	" "	8,700
NPV	200	" "	10,000
NPV	500	" "	13,000
\$10	500	" "	3,000
NPV	400	" "	10,000
\$116,700			

RÉSUMÉ DES VALEURS DÉTENUES

Aux valeurs autorisées

Bons détenus au Canada	\$4,214,297
Bons détenus aux États-Unis	1,211,910
Actions privilégiées	27,000
Actions ordinaires	116,700
\$5,569,907	

La Barantie, Compagnie d'Assurance de l'Amérique du Nord

VALEURS DÉTENUES PAR LA COMPAGNIE (suite)

Report	Taux d'intérêt	Année	Valeur au pair	Valeur autorisée
Consumers' Gas Co. Ltd.	5.5%	1982	25,000	25,000
"	"	1983	25,000	25,000
"	"	1984	15,000	15,300
Maritime Electric Co. Ltd.	5.75%	1981	25,000	25,250
Northwestern Utilities Ltd.	5.75%	1988	10,000	10,100
La Corporation de Gaz Naturel du Québec	6.0%	1980	21,000	21,210
"	"	1985	7,100	6,887
Québec Téléphone	5.75%	1983	35,000	35,000
Union Gas Co. of Canada Ltd.	5.75%	1983	25,000	25,250
Westcoast Transmission Co. Ltd.	5.5%	1988	25,000	27,500
Algoma Steel Corp. Ltd.	5.25%	1978	25,000	24,500
B.P. Canada Ltd.	5.75%	1986	30,000	30,300
Canadian British Aluminium Co. Ltd.	5.75%	1977	24,000	24,000
"	"	1977	22,000	22,660
Dominion Steel & Coal Corporation Ltd.	5.75%	1984	25,000	25,250
Dominion Tar & Chemical Co. Ltd.	5.5%	1982	25,000	24,750
"	"	1984	15,000	15,150
East Coast Smelting and Chemical Co. Ltd.	5.85%	1986	25,000	25,500
T. Eaton Acceptance Co. Ltd.	4.5%	1976	25,000	23,000
"	"	1983	25,000	25,250
Home Oil Co. Ltd.	6.25%	1983	25,000	25,500
Hudson's Bay Oil & Gas Co. Ltd.	5.5%	1983	25,000	24,750
La Brasserie Labatt Limitée (Prov. de Qué.)	5.75%	1987	25,000	25,250
"	"	1989	25,000	25,250
Loblaws Groceries Co. Ltd.	4.0%	1975	25,000	22,250
"	"	1977	14,000	14,420
Price Brothers & Co. Ltd.	5.75%	1982	50,000	50,500
Compagnie de Papier Rolland, Limitée	5.75%	1984	25,000	25,250
La Société Shell Canada	5.75%	1983	25,000	25,250
Steinberg Limitée	5.75%	1984	25,000	25,250
George Weston Ltd.	5.25%	1982	25,000	24,250
"	"	1983	15,000	14,850
Crédit Foncier Franco-Canadien	5.5%	1981	25,000	24,500
"	"	1982	25,000	23,750
"	"	1983	25,000	24,500
"	"	1984	25,000	24,500
Industrial Acceptance Corp. Ltd.	5.75%	1981	25,000	25,250
"	"	1982	25,000	25,000
Laurentide Financial Corp. Ltd.	5.75%	1973	25,000	25,250
"	"	1979	24,000	24,240
Loblaws Leased Properties Ltd.	4.5%	1981	50,000	46,000
Niagara Finance Co. Ltd.	5.75%	1985	25,000	25,000
RoyNat Ltd.	6.0%	1979	50,000	51,500
Royal Trust Company Mortgage Corporation	5.75%	1981	25,000	25,250
Shell Properties Ltd.	5.75%	1982	25,000	25,250
Traders Finance Corporation Ltd.	5.75%	1981	25,000	25,000
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\$3,470,100			\$2,313,000	\$2,307,680
\$4,220,100				
\$3,462,297				
\$4,214,297				

La Garantie, Compagnie d'Assurance de l'Amérique du Nord

VALEURS DETENUES PAR LA COMPAGNIE

(Évaluations autorisées par le département des Assurances — Canada)

BONS DÉTENUÉS AU CANADA

Valeurs échéantes en dedans d'un an		Valeurs échéantes en dedans de cinq ans plus d'un an	
Taux d'intérêt	Année	Valeur au pair	\$
4.0%	1965	50,000	\$ 50,000
4.0%	1965	50,000	50,000
4.25%	1965	50,000	50,000
4.75%	1965	50,000	50,000
4.75%	1965	50,000	50,000
4.75%	1965	50,000	50,000
La Compagnie Garantie Trust du Canada	1965	50,000	50,000
Société d'Administration et de Fiducie	1965	50,000	50,000
	1965	50,000	50,000
Banque Mercantile du Canada	1965	50,000	50,000
Banque Canadienne Impériale de Commerce	1965	50,000	\$ 50,000
5.0%	1968	75,000	\$ 75,750
5.0%	1969	150,000	151,500
5.25%	1968	100,000	101,000
4.75%	1966	50,000	50,000
3.5%	1968	50,000	47,500
6.0%	1967	50,000	51,000
5.625%	1967	25,000	25,250
Industrial Acceptance Corporation			\$ 502,000
Canada Permanent Mortgage Corp.			
Toronto, The Municipality of Metropolitan			
La Commission Hydro-Electrique du Québec			
Province de Québec			
Gouvernement du Canada			

Toutes autres valeurs

Reporté		\$2,313,000	\$2,307,680
Gouvernement du Canada	5.5%	\$1,075,000	\$1,118,000
"	3.25%	1979	81,000
"	4.5%	1983	195,300
Les Chemins de fer Nationaux du Canada	4.0%	1981	44,000
"	5.125%	1988	19,200
"	5.5%	1989	25,000
Manitoba Telephone Commission	5.5%	1982	25,250
New Brunswick, Province of	3.5%	1975	43,500
Nova Scotia, Province of	5.5%	1984	25,500
"	5.25%	1984	49,500
Province de Québec	6.0%	1982	10,400
"	5.25%	1983	24,250
"	5.25%	1984	24,250
"	6.0%	1988	104,000
Office des Autoroutes du Québec	5.75%	1989	25,500
"	5.5%	1982	24,750
La Commission Hydro Electrique du Québec	5.5%	1988	25,000
"	6.25%	1982	26,250
Compagnie Québec Power	5.5%	1982	25,000
"	5.5%	1984	50,500
"	6.0%	1979	23,750
Cité de Montréal	4.0%	1975	30,000
"	5.75%	1988	25,000
"	5.75%	2004	25,000
Toronto, Municipality of Metropolitan	4.5%	1976	23,250
"	5.5%	1982	25,250
Protestant School Board of Greater Montreal	5.5%	1981	24,000
"	5.5%	1982	48,480
La Compagnie de Téléphone Bell du Canada	5.5%	1984	25,000
"	5.75%	1982	20,000
"	5.75%	1984	25,000
Calgary Power Ltd.	5.75%	1982	25,000
"	5.5%	1986	24,750
Canadian Utilities Ltd.	5.375%	1983	24,500
Canadian Western Natural Gas Co. Ltd.			

La Garantie, Compagnie d'Assurance de l'Amérique du Nord

ÉTAT DES PROFITS ET PERTES POUR L'ANNÉE TERMINÉE LE 31 DÉCEMBRE 1964

(avec chiffres comparatifs pour 1963)

1964	1963
\$ 776,683	\$ 776,683
(Diminution) augmentation de la réserve pour primes	(482,185)
Primes gagnées	1,542,762
Reclamations et dépenses de réclamations	1,051,885
Dépenses pour examen des risques	961,649
Augmentation (diminution) de la réserve pour primes à recevoir	17,328
Gain sur change étranger	(8,879)
2,021,983	2,021,983
Perte d'exploitation	479,221
Intérêt, dividendes et loyers	239,960
Perte sur vente d'obligations	(3,172)
233,757	236,788
Profit (perte) pour l'année, avant provision pour impôt sur le revenu estimé	(242,433)
Provision pour impôt sur le revenu aux Etats-Unis	7,063
Profit (perte) pour l'année	\$ (249,496)
\$ 140,864	\$ 140,864

ÉTAT DU SURPLUS AUX ACTIONNAIRES POUR L'ANNÉE TERMINÉE LE 31 DÉCEMBRE 1964

(avec chiffres comparatifs pour 1963)

Surplus acquis —	\$2,003,626	\$1,341,114
Solde au début de l'année	—	796,648
Profit et appréciation réalisés sur la vente de propriétés immobilières	2,003,626	2,137,762
Profit (perte) pour l'année	(249,496)	140,864
Dividendes	(26,744)	—
Transféré aux réserves générales et pour fluctuation des placements	275,000	(275,000)
Solde à la fin de l'année	\$2,002,386	\$2,003,626

La Garantie, Compagnie d'Assurance de l'Amérique du Nord

BILAN AU 31 DÉCEMBRE 1964

(avec chiffres comparés pour 1963)

Actif

1964	1963
\$ 307,845	\$ 375,590
Encaisse	
Actions et obligations — au prix coûtant moins réserve de \$300,000	
(évaluation du Département des Assurances du Canada — \$5,569,907 en 1964 et \$5,154,793 en 1963)	
Prêts hypothécaires	
Primes à recevoir — moins réserve	
Dû des réassureurs et autres compagnies d'assurance, etc.	
Intérêts courus sur valeurs	
Mobilier et agencement et automobiles — au prix coûtant moins amortissement accumulé	
26,299	12,315
\$6,371,562	\$5,699,916

Passif et Réserves

Réserve pour réclamations en suspens et frais de réclamations	\$1,264,365	\$ 960,988
Réserve pour réclamations non rapportées	196,100	196,100
	<u>1,460,465</u>	<u>1,157,088</u>
Taxes à payer	38,023	38,017
Autres dettes	385,957	223,638
Réserve volontaire pour retraite	123,000	123,000
Réserve pour primes — Primes non gagnées	1,092,185	634,721
— Réserve spéciale pour garantie de cautionnements	300,947	276,226
	<u>\$3,400,577</u>	<u>\$2,452,690</u>

Surplus aux Assurés

Réserve générale (note) —	575,000	400,000
Solde au début de l'année	(275,000)	175,000
Transféré (au) du surplus		
Capital — Actions —		
Autorisé —		
20,000 actions à \$50		
Emis et entièrement payé —		
13,372 actions	668,600	668,600
Surplus aux actionnaires — d'après l'état	2,002,385	2,003,626
	2,970,985	3,247,226
	<u>\$6,371,562</u>	<u>\$5,699,916</u>

Note: Les fonds américains sont montrés aux états à leur valeur au pair. La réserve générale inclut approximativement \$13,000 (1964) et \$19,500 (1963) pour pertes non réalisées sur le change étranger.

RAPPORT AUX ACTIONNAIRES

Nous avons examiné le bilan de La Garantie, Compagnie d'Assurance de l'Amérique du Nord au 31 décembre 1964 et les états des profits et pertes et de surplus aux actionnaires pour l'année terminée à cette date. Nous avons obtenu tous les renseignements et toutes les explications demandés. Notre examen a comporté une revue générale des procédés comptables et tels sondages des livres et pièces comptables et autres preuves à l'appui que nous avons jugés nécessaires dans les circonstances.

À notre avis et du mieux que nous avons pu nous en rendre compte par les renseignements et les explications qui nous ont été données et d'après ce qu'indiquent les livres de la Compagnie, le bilan et les états des profits et pertes et de surplus aux actionnaires ci-joints sont rédigés de manière à présenter fidèlement l'état véritable et exact des affaires de la Compagnie au 31 décembre 1964 et les résultats de ses opérations pour l'année terminée à cette date, selon les principes comptables généralement reconnus, appliqués d'une manière conforme à celle de l'année précédente.

(Signés) RIDDELL, STEAD, GRAHAM & HUTCHISON

Comptables Agréés.

Le 5 mars 1965

La Garantie, Compagnie d'Assurance de l'Amérique du Nord

AUX ACTIONNAIRES:

Les Administrateurs désirent soumettre leur rapport annuel, lequel inclut l'état financier au 31 décembre 1964, l'état profits et pertes à la même date, ainsi que le rapport des auditeurs.

SOMMAIRE:

Au cours de l'année 1964, la Compagnie a augmenté le nombre de ses représentants dans la province de Québec. Deux nouvelles succursales sont maintenant en service, une à Québec et l'autre à Sherbrooke.

L'expérience dans l'assurance automobile a été défavorable pour pratiquement toutes les compagnies et votre Compagnie n'a pas été une exception. Des changements importants ont été effectués, lesquels, selon l'opinion de la Direction, auront l'effet d'améliorer l'expérience dans cette classe .

PLACEMENTS:

Au 31 décembre 1964, la valeur aux livres du portefeuille se chiffrait à \$5,574,000., représentant une augmentation d'environ \$266,000., soit 5% sur l'exercice précédent. A la fin de 1963, à la suite de la vente de notre édifice, la Compagnie comptait au nombre de ses placements, une grande proportion de valeurs à courte échéance. Durant l'année 1964, et quand les opportunités se sont présentées, une partie substantielle de ces fonds fut investie dans des valeurs à longs termes produisant des revenus plus lucratifs.

Le revenu des placements effectués en 1964, s'est avéré beaucoup plus substantiel que celui de 1963. Tenant compte qu'aucun revenu de loyers ne fut produit au cours de l'année écoulée, l'investissement total fut néanmoins supérieur à celui de 1963.

A la fin de 1964, et sans tenir compte de la réserve d'investissement, la valeur du portefeuille sur le marché était \$22,670. (soit à peu près 0.4%) moins que la valeur aux livres. Le montant comparatif pour 1963 était \$53,174.

Durant l'année 1964, la Compagnie a investi \$128,054. en actions ordinaires, représentant à peu près 2% de la valeur du portefeuille.

ADMINISTRATEURS:

La démission de M. C. Gordon Cockshutt fut acceptée avec regrets et la Compagnie reconnaît avec gratitude les bons conseils et services qu'il nous a prodigués depuis nombre d'années.

PERSONNEL ET AGENTS:

Les Administrateurs désirent remercier nos Agents pour leur appui continu, de même que les Officiers et Employés, dont la coopération durant l'année écoulée fut des plus appréciée.

L'AVENIR:

Soyez persuadés que vos Administrateurs n'épargnent aucun effort dans le but d'assurer à votre Compagnie, un avenir des plus prometteur.

Au nom des Administrateurs,

C. E. PACAUD,

Président

Le 8 mars 1965

CONSEIL ADMINISTRATIF:

*J. P. BASSEL, C.R.	Toronto	Associé — Bassel, Sullivan, Holland & Lawson
*FRANK COWAN	Princeton	Président — Frank Cowan Co. Ltd.
A. A. CUMMING	Toronto	Président — Union Carbide Canada Limited
DANIEL O'C. DOHENY, C.R.	Montréal	Associé — Bourgeois, Doheny, Day & Mackenzie
G. BLAIR GORDON	Montréal	Président, Conseil Administratif — Dominion Textile Company Limited
H. CAMERON HAWKEN	Montréal	Administrateur — Marine Industries Limited
R. R. McLERNON	Montréal	Président — Acer, McLernon Incorporated
G. W. MILLAR	Montréal	Président — Lyman Tube & Supply Co. Ltd.
*C. E. PACAUD	Montréal	
*H. M. RAWLINGS	Montréal	Membre du Comité Exécutif.

LA DIRECTION

C. E. PACAUD	Président et Administrateur-Gérant
G. W. MILLAR	Vice-Président
G. H. DOBLE	Assistant Vice-Président
V. MONGEON	Assistant Vice-Président
G. G. MILNES	Contrôleur
DAPHNE L. CATLIFF	Secrétaire
MILDRED L. JONES	Assistante Secrétaire
D. M. CHADWICK	Trésorier
PROCUREURS: Bourgeois, Doheny, Day & Mackenzie	
AUDITEURS: Riddell, Stead, Graham & Hutchison	

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Quatre-vingt-douzième rapport annuel

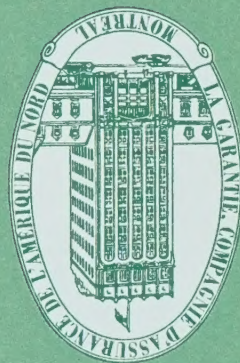
du conseil administratif de

La Garantie, Compagnie d'Assurance de l'Amérique du Nord

à l'assemblée générale annuelle des actionnaires

mercredi, le 31 mars 1965

La Garantie, Compagnie d'Assurance
de l'Amérique du Nord



MONTREAL

Fidélité et Caution

Incendie, Automobile et Casualité

QUATRE-VINGT DOUZIEME RAPPORT ANNUEL

1964